

conforming with the Internal Revenue Code. Section 5 may look more like a substantive change, but in reality it is not. It allows for the computation of a benefit for a State Patrol officer who retires after ten years of service but before normal retirement age. There is a discrepancy in the statutes now which would allow an officer, who was terminated after ten years of service, to receive a retirement benefit, an eventual retirement benefit, but if the same officer simply retired they could not receive that benefit. There's only one distinction in the current statutes that would be applicable, and that is the use of accumulated unused sick leave. So the changes simply conform, to a very large extent, the treatment of an officer who would retire after ten years but before normal retirement, or one who was terminated prior to normal retirement. Section 6 is a result of language in LB 724, last year. Inadvertently, there was phrasing included which allowed retirement benefits to be computed based on total compensation, including vacation and sick leave and compensatory time. That language, which would have included vacation and sick leave, would have been in response to a 1982 decision of the Nebraska Supreme Court, we didn't get around to doing anything about it until 1993, and then we overdid it by including compensatory time in those categories. Compensatory time is already computed in the officer's pay, and to then again have that reference in the retirement benefits is unnecessary and misleading. Section 7 of the bill again pertains to the State Patrol system, and it has to do with the age 55 limit on commencement of a deferred annuity benefit. We now...the Internal Revenue Code requires that that be no later than April 1 of the calendar following the calendar year in which the member reaches age 70, and a half years or retires, Nebraska law is slightly different, requiring 60 days after the end of the year in which the officer has reached 71 and a half years and terminated employment. We're going to conform with the Internal Revenue Code requirements. Sections 8 and 9 make the changes to the State Retirement System that would conform it with the changes noted for the discussion of Section 1, for the County Employees Retirement System. Section 10 again is a repeat of Section 2, conforming the state and county employees retirement sections. And finally, Section 11 eliminates various unnecessary wording pertaining to buy-back windows granted in the School Employees Retirement Systems. And, with that, I would be happy to respond to very short and nontechnical questions, other than that I would urge adoption of the bill.